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ORIGINAL

JAN 13 2006

BY FAX AND MAIL

565-9004

January 12, 2006

Hon. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street
Washington, D.C. 20423-0001

RE: FD No. 34814, Cassatt Management, LLC d/b/a Bay
Coast Railroad- Lease and Operate Exemption -
Canonie Atlantic Co. on Behalf Of Accomack-
Northampton Transportation District Commission

ENTERED
Office of Proceedings

JAN 13 2006

Part of
Public Record

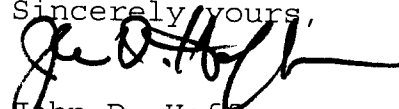
Dear Mr. Williams:

Yesterday on behalf of Petitioner Cassatt Management, LLC d/b/a Bay Coast Railroad, I filed an original and ten copies of a verified notice of exemption under 49 CFR 1150.31 for the lease and operation by Cassatt Management, LLC d/b/a Bay Coast Railroad, of a line of railroad owned by Canonie Atlantic Co. on Behalf Of Accomack-Northampton Transportation District Commission. I have been advised that the correct name for Canonie-Atlantic is Canonie-Atlantic Co., not Canonie-Atlantic Company. In addition, at page 3 of this filing contains two errors. The abbreviation for Bay Coast Railroad is "BCR." Line 3 at page 3 of the notice identifies Bay Coast as "CBR" instead of "BCR." Finally, the reference at line 9 on page 3 of the notice to "Eastern Shore Railroad, Inc.," should merely read "Eastern Shore."

I am submitting an original and ten copies of corrected pages 1-3 of the notice and an original and ten copies of a corrected Exhibit C, caption summary.

I apologize for this error. Please date stamp and return one copy of this filing.

Sincerely yours,


John D. Heffner

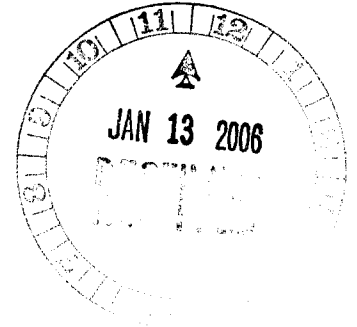
Enclosures

cc: Mr. Larry E. LeMond

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34814



CASSATT MANAGEMENT, LLC
D/B/A BAY COAST RAILROAD
-- LEASE AND OPERATION EXEMPTION --
CANONIE ATLANTIC CO. ON BEHALF OF
ACCOMACK-NORTHAMPTON
TRANSPORTATION DISTRICT COMMISSION

ENTERED
Office of Proceedings

JAN 13 2006

Part of
Public Record

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

NOTICE OF OPERATION OF RAIL LINE

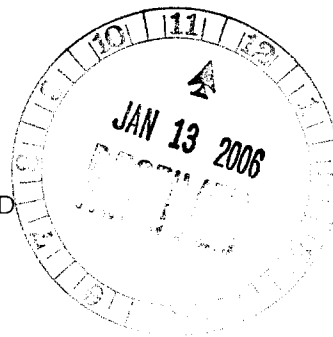
Submitted By:

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner

Dated: January 11, 2006

BEFORE THE
SURFACE TRANSPORTATION BOARD



STB FINANCE DOCKET NO. 34814

CASSATT MANAGEMENT, LLC
D/B/A BAY COAST RAILROAD
-- LEASE AND OPERATION EXEMPTION --
CANONIE ATLANTIC CO. ON BEHALF OF
ACCOMACK-NORTHAMPTON
TRANSPORTATION DISTRICT COMMISSION

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

NOTICE OF OPERATION OF RAIL LINE

INFORMATION REQUIRED BY 49 CFR 1150.33

Name and Address of Applicant 49 CFR 1150.33(a)

Cassatt Management, LLC
d/b/a Bay Coast Railroad
1100 Eagle Wood Drive
Suite C
Virginia Beach, VA 23454¹

Applicant's Representative 49 CFR 1150.33(b)

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

¹ The address for the owner of the subject rail line is Canonie-Atlantic Company, P.O. Box 1027, Eastville, VA 23347.

Cassatt Management, LLC d/b/a Bay Coast Railroad ("BCR") has entered into a new 30 year agreement with Canonie Atlantic Co. ("Canonie") acting on behalf of the Accomack-Northampton Transportation District Commission, a political sub-division of the Commonwealth of Virginia, ("the Commission") for the lease and operation of a series of interconnected railroad lines comprising the Eastern Shore Railroad ("Eastern Shore") and the assignment of track leases from and trackage rights held by Eastern Shore over lines of Norfolk Southern Railway Company ("NS"). The subject rail lines consist of 68.3 ownership miles, 4.6 leased miles, and trackage rights of approximately 4.0 miles. They include the following:

- (a) between ESHR MP 30.5 at Pocomoke City, MD (NS interchange), and ESHR MP 94.8 at Cape Charles, VA (float bridge) (Eastern Shore owned);
- (b) between ESHR MP 95.0 at Little Creek (Virginia Beach), VA, and ESHR MP 97.6 at Camden Heights (Norfolk), VA (Eastern Shore owned);
- (c) between ESHR MP 97.6 at Camden Heights and ESHR MP 100.7 at North Junction (Eastern Shore leased from NS);
- (d) The Diamond Springs Line between NS MP SN 5.2 and NS MP SN 6.7 (Eastern Shore leased from NS);

EXHIBIT C

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34814

CASSATT MANAGEMENT, LLC
D/B/A Bay Coast Railroad
-- LEASE AND OPERATION EXEMPTION --
CANONIE ATLANTIC CO. ON BEHALF OF
ACCOMACK-NORTHAMPTON
TRANSPORTATION DISTRICT COMMISSION

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

NOTICE OF OPERATION OF RAIL LINE
INFORMATION REQUIRED BY 49 CFR 1150.31

Cassatt Management, LLC ("Cassatt") d/b/a Bay Coast Railroad, a newly established noncarrier, has filed a Verified Notice of Exemption under 49 CFR 1150.31 to acquire by lease and by assignment the following railroad lines and trackage rights currently owned and held by Canonie Atlantic Co. on behalf of the Accomack-Northampton Transportation District Commission and operated as the Eastern Shore Railroad, Inc.

The subject rail lines consist of 68.3 ownership miles, 4.6 leased miles, and trackage rights of approximately 4.0 miles. They include the following:

- (a) between ESHR MP 30.5 at Pocomoke City, MD (NS interchange), and ESHR MP 94.8 at Cape Charles, VA (float bridge) (Eastern Shore owned);
- (b) between ESHR MP 95.0 at Little Creek (Virginia Beach), VA, and ESHR MP 97.6 at Camden Heights, VA (Eastern Shore owned);
- (c) between ESHR MP 97.6 at Camden Heights and ESHR MP 100.7 at North Junction (leased from NS);
- (d) The Diamond Springs Line between NS MP SN 5.2 and NS MP SN 6.7 (leased from NS);
- (e) Between ESHR MP 100.7 at North Junction and ESHR MP 102.1 at St. Julian (Eastern Shore owned);
- (f) Trackage rights over NS between Coleman Place and NS' Portlock Yard for interchange purposes.

BCR plans to consummate this transaction on or after January 18, 2006.

This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34814, must be filed with the Surface

Transportation Board, Office of the Secretary, Case Control
Branch, 1925 K Street, N.W., Washington, D.C. 20423-0001. In
addition, a copy of each pleading must be served on:

John D. Heffner, Esq.
John D. Heffner, PLLC
1920 N Street, N.W.,
Suite 800
Washington, D.C., 20036
Telephone: (202) 263-4180

(seal)

Vernon A. Williams
Secretary